

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 714 - SB 610

March 17, 2021

SUMMARY OF BILL: Establishes that certain local governments are not required to restore back pay to certain employees. Requires such local governments to maintain records in connection with related administrative actions.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – The extent and timing of any decrease in local government expenditures cannot be determined due to multiple unknown factors.

Assumptions:

- Pursuant to Tenn. Code Ann. § 7-51-1701:
 - Municipalities and counties are authorized to implement personnel policies which place arrested employees on leave;
 - Such policies must restore back pay to employees if charges are dropped or the employee is found not guilty;
 - Back pay restoration is not required for employees who plead guilty or enter into a plea agreement.
- The proposed legislation:
 - Establishes that back pay restoration does not apply to employees who voluntarily leave the employment of the local government before the charges are dropped or employees who are terminated for a reason other than the arrest; and
 - Requires local governments to maintain public records regarding administrative actions against such employees for the applicable retention period and not destroyed.
- Due to multiple unknown factors such as the extent of local governments which have established such policies, the number of employees which would be eligible to receive back pay in the absence of this legislation, the rate of compensation of such employees, and the length of time such employees would be placed on leave, the extent and timing of any decrease in local expenditures cannot reasonably be determined.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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